

**CEREAL GROWERS ASSOCIATION**  
**Quarterly Project Report October – December 2011)**

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P F Tracking Number:	CGA-STA-011-021
Title of Activity:	Up-scaling the Establishment of Model Satellite Stores (MoSS)
Start Date of Reporting Period:	1 October, 2011
End Date of Report:	30 December, 2011
Date Report Submitted:	16 January, 2012

## **Executive Summary**

The main objective of this grant is to build on the successes of the 1<sup>st</sup> Grant that had lasted from October 2009-November 2010 and whose main objective was to “improve the grain marketing systems through establishing group-based Model Satellite Stores (MoSS) to enhance marketing opportunities for small-scale farmers.” The storage facilities so developed are used by the Farmer Based Organizations (FBOs) as model centres for joint grain bulking, quality control and as hubs for market information. The grant seeks to address the challenges of fragmented / individualized marketing, high post harvest losses, inadequate market information and over-reliance on maize as a staple food. The project areas are the districts of Trans Mara (Kenya) and Kongwa (Tanzania).

The major highlight of the quarter was the joint grain aggregation, uplift and selling to a variety of buyers. Three Training of Trainers (ToT) were conducted in which 81 participants (36 being women) were trained. In both Trans Mara and Kongwa FBOs started plans towards the construction and/or repairs of their own storage structures.

During the quarter there was heavy down pour experienced in Kenya posing challenges to cereal marketing especially in the project area of Trans Mara which has muddy and rough terrain roads. This slowed the drying, cleaning, re-bagging and uplifts of the cereal commodities by WFP among other buyers and for this reason there were delays in uplifts stretching beyond the October uplift schedule into January 2012. The rains also affected the planted beans in which most rot while on farms affecting the production and for that reason the subsequent supplies to WFP and other buyers in the January 2012 season. Even so, the farmers were able to jointly bulk 2173.736 MT and sold 1571.886 MT valued at US\$ 600,180 to various buyers.

The outreach activities covered under this quarter were mainly: village level meetings and mobilization of new farmers to join the project, on-spot coaching of the Farmer Based Organizations (FBOs) members on commercialization and collective Marketing of cereals, quality & stores management at the bulking centers, continued explanation on the modalities of the contracts especially the Forward Delivery Contract (FDC) by UN WFP – P4P. The farmers in Tanzania were also enlightened on the use of the Ware House Receipting Systems (WRS) which is now operational under two stores in the project area.

In Trans Mara 317 farmers were directly reached where 134 or 42% were women whereas in Kongwa, Tanzania, a total of eight (5) grass root level meetings were held. The total attendance was 104 farmers with 62 or 59% being women.

## Details of Accomplishments for the period

### 1. Strengthening of capacity of FBOs through Trainings

#### a) Outreach activities

The outreach activities covered under this quarter were:

In Trans Mara, village level meetings and mobilization of new farmers to join the project, on-spot coaching of the Farmer Based Organizations (FBOs) members on Agri – Business, commercialization and collective Marketing of cereals, quality & stores management at the bulking centers, continued explanation on the modalities of the contracts especially the Forward Delivery Contract (FDC) by UN WFP – P4P, group dynamics, leadership skills and record keeping

#### *Summary of outreach activities/village level meetings held during the quarter in Trans Mara*

FOs (Groups) Contacted	Activity/Topics discussed	Venue/ Date	Number in attendance		
			Female	Male	Total
Naserian Women group	Savings mobilization	Olopi Store 21/10/2011	20	0	20
Nkararo Maize Traders	Formalize on how to register a cereal trader Association to supply to WFP	Nkararo 24/10/2011	4	9	13
Inkidemi Widows Group	Savings mobilization and credit access	Olopi 24/10/2011	14	0	14
Koptigei Widows	Farmer Organization record keeping	Akaposare Village 24/10/2011	8	0	8
Romosha Farmers Association	Store construction	Romosha Store 07/11/2011	6	7	13
Lolgorian (Naramat & ABE	Group dynamics and leadership	Olopi 06/11/2011	13	18	31

Groups)					
Poroko Cereal Growers Association	Awareness meeting/New Farmers Mobilization (CGA/WFP-Activities)	Poroko 07/11/2011	16	2	18
-Koptigei widows -Naserian Women Group	- Group Sales record reconciliation -Group dynamics and leadership skills	-Angata -Lolgorian 08/11/2011	0	19	19
- Ndanai Umbrella -Nakuyana Youth Group	Training on Agri business	-Ndanai NCPB -Poroko 09/11/2011	9	13	22
Romosha Farmers Association	- Marketing issues - Discussion on store construction progress	Romosha Store 14/11/2011	3	4	7
Oldonyo -Orok visionary youth group	Training on Agri Business	Oldonyo Orok 14/11/2011	3	8	11
Poroko Cereal Growers Association	Training on WFP modalities of purchasing from small scale farmers	Poroko 15/11/2011	16	5	21
Naserian Women Group	Training on Agri business opportunities	Lolgorian 16/11/2011	0	15	15
Nakuyana Youth Group	Group leadership and dynamics	Poroko 16/11/2011	5	11	16
- Romosha -Naretisho	-Stores management committee (Importance of having both genders in the management of the group/store)	Romosha (Meguarra store) 2/12/2011	6	4	10
Koptigei Widows	Farmers Mobilization (new members)	Angata 5/12/2011	16	0	16
Nase – Oldonyo Orok (new sub group)	Group leadership and dynamics	Lolgorian 6/12/2011	16	5	21
- Oldonyo Orok Marketing - Olaitong Youth group - Angata Farmers	- Discussion on selling extra maize to WFP (tender) - Inspection of maize stocks at Oldonyo and Angata to organize for	Angata and Oldonyo Orok 6/12/2011	2	16	18

- Keturo - Koptigei widows - Rotet women	fumigation/uplift.				
<b>Total</b>			<b>157</b>	<b>136</b>	<b>293</b>

In Kongwa, the farmers were mobilized to be recruited in the project by the Cereal Growers of Kongwa (CGoK). The mobilization and awareness meetings were carried out particularly in Southern Kongwa where pulses like pigeon peas are grown. As a result CGoK will begin supplying pigeon peas to WFP. The CGoK farmers have also been enlightened on the use of the Ware House Receipting Systems (WRS) which is now operational under two certified Warehouse/ stores in the project area (Pandambili and Lenjulu).

A total of Eight (5) grass root level meetings were held at five different villages in southern Kongwa (Chamkoroma, Mlali, Suguta, Iduo and Tubugwe). The village level mobilization meetings were open to all farmers where village authorities and ward extension officers were to play a crucial role. The main agenda was to introduce CGoK to farmers and explain the success and challenges facing farmers especially in marketing. The existing opportunity of marketing through P4P was also introduced. It was agreed that the CGoK board members coming from this zone were to continue with the sensitization and mobilization exercise since the COMPETE project do not cover the area.

***The following were the villages visited and the respective number of farmers met***

Date	Village	Participants		
		Male	Female	Total
20/12/2011	Chamkoroma	11	8	19
	Mlali	9	13	22
21/12/2011	Suguta	10	14	24
	Iduo	7	12	19
22/12/2011	Tubugwe	5	15	20
<b>Total</b>		<b>42</b>	<b>62</b>	<b>104</b>

#### **b) Trainings Conducted**

A total of 81 (36 or 44% of them being women) FO members were trained in three (3) ToTs, two of which were conducted in Trans Mara. These are; use of Aflatoxin testing Kits and Collapsible Drier Cases, commercialization/collective Marketing/ Market Information Systems and Farmer organization records. One (1) ToT on Records Keeping and management was conducted in Kongwa.

During the month of October only one (1) ToT training on Aflatoxin testing kits and use of collapsible drier cases was conducted in Trans Mara. The total attendance was 23 participants (10 being women) with 15 farmer representatives and 8 CGA staff. This was on 31<sup>st</sup> October, 2011. Another ToT on Records keeping and management was conducted in Kongwa. This training was a follow up of a one day training done earlier on July 2011. The two days training was conducted on 22<sup>nd</sup> to 23<sup>rd</sup> November 2011 in which 15 participants (10 female and 5 male) drawn from members of the stores management committees from Kibaigwa, Pandambili, Lenjulu and Hogolo attended. This training was facilitated by Ndaro Magoti Jandwa one of the listed trainers CGA trainers.

The last ToT to be conducted during the quarter was on commercialization and collective marketing, Market Information Systems (MIS) and Farmer Organizations Records keeping in Trans Mara. This was from 19<sup>th</sup> – 21<sup>st</sup> December 2011 in which 43 participants (16 being women) drawn from members, management committees and leaders of different groups responsible in handling group records attended. This training was facilitated by Steve Mwanacha one of the listed CGA trainers and Peter Kimotho (WFP-P4P Capacity building officer).

***Summary of ToT trainings provided to farmer groups in the quarter***

Topic	Date and venue	Training Type	Beneficiaries		
			Women	Men	Total
Use of Aflatoxin testing Kits and collapsible drier cases	31/10/2011 Kilgoris	ToT	10	13	23
Records keeping and management	22-23/11/2011 Kongwa	ToT	10	5	15
Commercialization & collective marketing, Market Information Systems (MIS) and Farmer Organization record keeping	19-21/12/2011	ToT	16	27	43
<b>Total</b>			<b>36</b>	<b>45</b>	<b>81</b>

## **2. Establishment and enhancement of Storage Capacities**

In view of the inadequate access to appropriate storage structures that smallholder farmers suffer in the project areas, the FBOs have started plans towards the construction of their own permanent stores.

In Trans Mara three Umbrella FBOs; Meguarra Community Grain store, Angata Farmers Association and Oldonyo Orok Farmers Association acquired plots and have contributed funds towards the start of the building of own stores. Meguarra Community Grain store group has completed the foundation and erected pillars of the store measuring 70ft by 32ft while Angata Farmers have contributed US \$ 1900 deducted from the 336MT of Maize sold to WFP and expected to start the construction from January 2012. Half a dollar was deducted from every 90kg bag delivered to WFP. Oldonyo Orok Farmers Association is expected to lay the foundation by February 2012.

In Kongwa, a request by CGOK to the United States and African Development Foundation (USADF) to support the construction of warehouse in Kibaigwa was approved this month and will be supported to a tune of TZS 172,000,000.00 (US\$110,256). The support will cover; the construction of the warehouse with a capacity of 1000MT, capacity building and employment of an accountant & a store Assistant for the initial one year period of the operations of the store.

### **3. Joint Produce Consolidation and Selling**

Since the start of the quarter, in Trans Mara, the wet weather posed challenges in the drying, cleaning and rebagging of the of the grains and for this reason there were delays in uplifts stretching beyond the October uplift schedule. Even so, cumulatively in both Trans Mara and Kongwa the farmers were able to jointly bulk 2408.736 MT and sold 1806.886 MT valued at US\$ 686,353 to various buyers.

In Trans Mara, the farmers jointly bulked 1610.736 MT valued at US\$ 449,568 of cereals where 164.19 MT valued at US\$ 110,255 and 61.5MT valued at US\$ 34,167 were beans and sorghum respectively. Out of this tonnage 888.196MT was maize valued at US\$ 304,146.

Due to competition NCPB was forced to open up buying centers at Angata and Oldonyo Orok in Lolgorian division. This is in addition to FARM SECURE that has been purchasing maize directly from the farmers in the same area and selling to other large buyers for a profit. Therefore during the quarter NCPB purchased 223.657MT whose value is US\$ 83,833 directly from the farmers through the Oldonyo Orok and Angata buying centers

At the same time, WFP was not able to uplift 202.23MT of maize belonging to Keturo Farmers Association from Angata due to the heavy rain that made roads impassable throughout December. Trucks turned back after failing to pass through the muddy roads.

In Kongwa, 220 MT valued at US\$ 75,715 were also sold to WFP in October 2011 while 237 MT valued at US\$ 86,173 was delivered by 23 farmers to Tanzania Breweries.

The two stores Pandambili and Lenjulu registered with the Tanzania Warehouse Licensing Board (TWLB) started operating the Warehouse Receipting System. The farmers were mobilized to bring maize to the stores and by end of November 2011 Pandambili had 269MT and Lenjulu 72MT awaiting any potential buyer.

In December, the maize stored under the Warehouse Receipt System (WRS) in the two stores of Pandambili and Lenjulu were sold to a buyer called Iloganzala Traders, 70 MT from Lenjulu and 166 MT from Pandambili all at a price of US\$ 317.36 per MT. This was in the 1<sup>st</sup> week of December 2011, leaving a balance of 105 MT of the maize stocks stored at Pandambili awaiting another potential buyer. Meanwhile Cereal Growers of Kongwa (CGoK) has again been awarded yet another maize contract of 300MT at US\$ 398.67 per MT which the group is expected to deliver to Dodoma.

#### ***Summary Details for Jointly Sold Produce October – December 2011***

<b>Commodity</b>	<b>Region</b>	<b>Volume bulked (MT)</b>	<b>Sold Volume (MT)</b>	<b>Value of Sales (US\$)</b>	<b>Buyer</b>	<b>Stock available (MT)</b>
Maize	Trans Mara	1385.046	582.369	190,589	WFP	496.85
			223.657	83,833	NCPB	
			82.17	30,724	Traders	
	Kongwa	561	220	75,715	WFP	105
			236	74,897	Traders (WRS)	
Beans	Trans Mara	164.19	129.3	88,674	WFP	0
			34.89	21,581	Traders	
Sorghum	Trans Mara	61.5	61.5	34,167	Kenya Seed	0
White millet	Kongwa	237	237	86,173	Tanzania Breweries	0
<b>Total</b>		<b>2408.736</b>	<b>1806.886</b>	<b>686,353</b>		<b>601.85</b>

***Exchange rate (USD 1= KES 90, Tshs 1500)***

In order to enhance and widen marketing opportunities in Tanzania and Kongwa in Particular, a data base of potential buyers has been developed (See attached list of different



buyers). This means that for this coming season CGoK will contact and conduct discussions with the different companies to engage into business, especially through the warehouse receipt systems (WRS).

#### **4. Other activities**

##### **Meeting with District Agriculture and Livestock Development Officer (DALDO) - Kongwa**

The meeting was a follow up of the recommendations given by the farmers from Trans Mara to Kongwa farmers. The advice was to contact and discuss with the agricultural experts on how to improve productivity from 5 bags to at least 15 bags per acre. The agenda was to involve ward extension officers to identify the best certified and approved seeds for the particular area within Kongwa district. It was agreed that DALDO was to instruct ward extension officers to advise farmers the varieties of hybrid seeds they should be planting in their respective agro – ecological zones. Kilosa seed multiplier agreed to supply seeds on credit but on condition that CGoK was registered as an Agri-Inputs Agent. The way forward is to meet with Tanzania Seed Agency and discuss the pre conditions of registration.

##### **Cereal Growers of Kongwa's 1<sup>st</sup> AGM**

We are reporting on this event because it is the result of the intervention of the CGA / COMPETE project. The meeting was meant to conduct wider election which will bring up representatives of the executive committee from the whole of Kongwa district and also to discuss the performance and future plans of the organization. There were representatives from WFP and United States and African Development Foundation (USADF). The performance report was read and discussed. The major recommendation given was to enhance mobilizations of farmers to join CGoK and the MoSS project especially the Southern Kongwa which is now incorporated in the project area since they produced much beans and pigeon peas. CGoK will assist the Southern Kongwa farmers to market these commodities since they have been included in the list of suppliers by WFP – P4P to supply Pulses.

The election was conducted under the supervision of the African Institute for Social and Economic Development where Jeremiah Maina was elected as the Chairperson.

The future plan of CGoK is to mobilize more farmers to join the organization.

##### **Meeting with Tanzania Seed Registration Agency**

As a follow up of the meeting done in November 2011 and Following the need for ensuring farmers are able to access certified agricultural Inputs at an affordable price and at the right time, the District Agriculture and Livestock Development Officer (DALDO) advised CGoK to register itself as an agent to supply inputs to members. This would encourage farmers to use certified and approved seeds and other agricultural inputs. CGoK had to meet the Executive Director of Tanzania Agricultural Input Agency in Dares Salaam where the issue was discussed including arrangement with NMB for credit so that farmers will be supplied inputs on credit. However the CGoK request to be registered as an agent was late and advised to start the process of registration early in July 2012. The deadline for seasonal registration ends in September each year.

### **Exploring other partners**

In June, 2011 CGOK had approached United States and African Development Foundation (USADF) to support construction of warehouse and it has been communicated that the request has been approved and will be supported at a tune of TZS 172,000,000.00 (110,256.00 USD). At the moment the full and detailed proposal is under development. The support will cover, Construction of a warehouse with a size of 1000MT, capacity building to farmers and initial employment of an accountant and store assistant.

On the other hand, on 10<sup>th</sup> and 11<sup>th</sup> October 2011 CGOK participated in the WFP partner meeting and sensitization workshop. Several issues were deliberated and the participants agreed to try the Forward Delivery Contract (FDC) this season. CGOK was included in the taskforce to design the framework on how to implement the FDC. As it seems CGOK will be among the beneficiaries.

## **5. Challenges faced**

- ***Delay in supply to WFP by farmers***– this was due to above normal rains that was experienced in Trans Mara during the quarter that hindered the drying process. However WFP added more time for the FOs to supply the grain. The wet weather during October through December led to delays in rebagging, cleaning and uplift due to the impassable roads.

## **6. Lesson learned and recommendation**

- Competition led to NCPB to open up buying centers in some parts of Trans Mara thus benefiting the farmers
- There is still need for continued capacity building especially on training in good agronomic practices on maize and beans crops for both Kongwa and Trans Mara farmers.

## **7. Activities for the Next quarter**

- Continued implementation of the contracts and Joint selling to variety of other buyers
- Capacity building through trainings
- Registration of more FOs as vendor into WFP-P4P
- Monitoring the construction of farmers storage facilities
- Implementation of the Ware House Receipt Systems (WRS) in Kongwa